

SUPPLEMENTARY REPORT

In compliance with art. 82 of Law 24/2017 regarding Issuers of Financial Instruments and Market Operations

Report date: **October 25, 2019**

Company name: **Societatea Nationala de Gaze Naturale ROMGAZ S.A.**

Address: **Mediaș, 4 Constantin I. Motas Square, Sibiu County - Romania, 551130**

Phone/fax no: **004-0374-401020 / 004-0269-846901**

Fiscal Code: **RO14056826**

LEI Code: **2549009R7KJ38D9RW354**

Trade Register registration number: **J32/392/2001**

Subscribed and paid in share capital: **385,422,400 RON**

Regulated market where the issued securities are traded: **Bucharest Stock Exchange (BVB), London Stock Exchange (LSE)**



Important event to be reported:

- **Total achieved value of six contracts concluded by S.N.G.N. ROMGAZ S.A. with S.N.T.G.N. TRANSGAZ S.A.**

Taking into consideration that the current reports published by S.N.G.N. ROMGAZ S.A on September 28, 2018, July 5, 2019 and September 30, 2019 contain informations regarding the **estimated value** of the contracts, in compliance with Annex no. 12 of ASF Regulation no. 5/2018, S.N.G.N. ROMGAZ S.A reports the **total achieved value** of six contracts concluded with S.N.T.G.N. TRANSGAZ S.A., as follows:

No	Party to the Agreement	Agreement No and date	Scope of Agreement	Achieved Contract Value including VAT (RON)	Terms and Payment Methods	Mutual Receivables	Issued Guarantee	Penalties (%/day)
1	S.N.T.G.N. Transgaz S.A.	Contract no. 70/ September 26, 2018	Yearly transmission services for NTS exit points (period October 01, 2018 - October 01, 2019)	50,681,205.25	Payment within 15 calendar days as of the invoice issue date	no	See Note*	See Note**
2	S.N.T.G.N. Transgaz S.A.	Contract no. 7/ September 26, 2018	Yearly transmission services for NTS entry points (period October 01, 2018 - October 01, 2019)	105,972,139.48	Payment within 15 calendar days as of the invoice issue date	no	See Note*	See Note**

No	Party to the Agreement	Agreement No and date	Scope of Agreement	Achieved Contract Value including VAT (RON)	Terms and Payment Methods	Mutual Receivables	Issued Guarantee	Penalties (%/day)
<p>Note*: The level of the financial guarantee payable by the User of Gas Transmission Network will be equal to the average value of the estimated monthly invoices for transmission services for the period of use.</p> <p>Note**: For the late payment of invoices there shall be applied a late payment interest rate, calculated on the outstanding amount, equal to the penalty interest for outstanding payment of budgetary obligations, for each day of delay, starting with the 16th calendar day from the date of invoice issue until the full payment of it, including the date of payment, or until the enforcement of the guarantees stipulated in the contract, in case of default of payment within 15 calendar days from the due date.</p>								
3	S.N.T.G.N. Transgaz S.A.	Contract no. 62/September 21, 2018	NTS entry points balancing services (period October 01, 2018 – October 01, 2019)	11,801,907.36	Payment within 15 calendar days as of the invoice issue date	no	See Note*	See Note**
<p>Note*(7) The value of the financial guarantee (guarantee value-GV) provided at paragraph (1) shall be determined as follows:</p> <p>a) for NU who had a contractual relationship with the TSO in the previous gas year: GV = maximum equivalent value of imbalances due to shortage of the NU in two consecutive months of the previous gas year;</p> <p>b) for NU who did not have a contractual relationship with the TSO in the previous gas year: GV = RON 1000, for the first contractual month, namely 2 x value of imbalances as "Shortage" recorded by such NU in the previous month, applicable as of the second contractual month and updated monthly during the entire contract term.</p> <p>(8) If the value of the financial guarantee decreases below the value provided at paragraph (7), the NU shall supplement the financial guarantee accordingly, within at most 5 working days from the date of the shortage.</p> <p>(9) If the NU does not supplement the guarantee according to paragraph (8), TSO cuts-off access to the VTP giving a 3 calendar days' notice.</p> <p>(10) The financial guarantee value of each NU set at paragraph (7) is compared at the end of each calendar month with the equivalent value of the "Shortage" imbalance cumulated in the last 2 months, prior to the comparison month.</p> <p>a) If the value determined according to letter a) is higher than the financial guarantee of the NU, the NU shall increase the guarantee accordingly within 5 working days from the date of receiving such request from the TSO.</p> <p>b) If the value determined according to letter a) is lower than the financial guarantee of the NU, the NU may request to reduce the financial guarantee.</p> <p>c) Under no circumstance can the financial guarantee be lower than the established value, determined according to paragraph (7).</p> <p>(11) The financial guarantee established in compliance with paragraph (7) shall be valid starting from the bank day preceding the balancing contract commencement date and the VTP access date and ceases on the 60th calendar day following the expiry date of the Contract.</p> <p>(12) If the NU proves the creditworthiness according to paragraph (3), the TSO may, in the relevant situations provided at paragraph (13), request the provision of a financial guarantee in accordance with paragraphs (7) and (10).</p> <p>(13) Relevant situation is deemed the case when the NU delays payment of an amount of at least 10% from the value of the last "Shortage" invoice or from the value of the partial payment obligations, after receiving a notification from the TSO in this respect.</p> <p>(14) TSO may enforce the guarantee provided in this chapter, if the NU does not fulfil its contractual obligations (fully or partially) or delays in fulfilling such.</p> <p>(15) TSO shall notify the NU in writing with at least five calendar days prior to enforcing the guarantee, stating the unfulfilled obligations.</p> <p>(16) In the event of a partial or total financial guarantee enforcement, the NU shall re-establish such guarantee in compliance with paragraphs (9) and (10).</p> <p>Note**For the late payment of invoices, after 15 calendar days as of the invoice issue date, there shall be applied a late payment interest rate, calculated on the outstanding amount, equal to the penalty interest for outstanding payment of budgetary obligations, for each day of delay, starting with the 16th calendar day from the date of invoice issue until the full payment, including the date of payment, or until the enforcement of the guarantees stipulated in the contract, in case of default of payment within 15 calendar days from the due date.</p>								

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4	S.N.T.G.N. Transgaz S.A.	Contract no. 202T/June 7, 2019	Quarterly transmission services for NTS entry points (period July 01, 2019 - October 01, 2019)	3,218,712.00	Payment within 15 calendar days as of the invoice issue date	no	See Note*	See Note**
<p>Note*The level of the financial guarantee payable by the User of Gas Transmission Network will be equal to the average value of the estimated monthly invoices for transmission services for the subsequent period of use.</p> <p>Note**For the late payment of invoices there shall be applied a late payment interest rate, calculated on the outstanding amount, equal to the penalty interest for outstanding payment of budgetary obligations, for each day of delay, starting with the 16th calendar day from the date of invoice issue until the full payment, including the date of payment, in case of default of payment within 15 calendar days from the due date.</p> <p>Note*** The achieved contract value for contract no. 202T/2019 does not include the value of the volumetrically component.</p>								
5	S.N.T.G.N. Transgaz S.A.	Contract nr. 674 L/ August 21, 2019	Monthly transmission services for NTS entry points (period September 01, 2019 - October 01, 2019)	496,944.00	Payment within 15 calendar days as of the invoice issue date	no	See Note*	See Note**
6	S.N.T.G.N. Transgaz S.A.	Contract nr. 675 L/ August 21, 2019	Monthly transmission services for NTS exit points (period September 01, 2019 - October 01, 2019)	1,092,420.00	Payment within 15 calendar days as of the invoice issue date	no	See Note*	See Note**
<p>Note: *The level of the financial guarantee payable by the User of Gas Transmission Network will be equal to the value of the estimated monthly invoice for transmission services for the subsequent period of use.</p> <p>**For the late payment of invoices, after 15 calendar days as of the invoice issue date, there shall be applied a late payment interest rate, calculated on the outstanding amount, equal to the penalty interest for outstanding payment of budgetary obligations, for each day of delay, starting with the 16th calendar day from the date of invoice issue until the full payment, including the date of payment, or until the enforcement of the guarantees stipulated in the contract, in case of default of payment within 15 calendar days from the due date.</p>								

**Chief Executive Officer,
Constantin Adrian VOLINTIRU**

